

BENEFICIARY DESIGNATIONS FOR LIFE COVERAGE

Prudential's Group Insurance Beneficiary Designation/Change Form can be found at <https://gi.prudential.com/groupinsurance/forms/employees/GL.2001.169.pdf>.

Each employee should designate a **primary beneficiary**, which is the person or entity who will receive the group life insurance death benefit if the employee dies. Most employees will designate an individual; however, some may designate several beneficiaries.

Employees can also designate a **contingent beneficiary**, also known as a secondary beneficiary. A contingent beneficiary will receive the death benefit if the primary beneficiary dies before the employee.

All beneficiary designations must include the full first name, middle initial, last name, full address, Social Security Number, and relationship of each beneficiary. Always show full names, for example use "Mary A. Doe" instead of "Mrs. M. Doe" or "Mrs. Michael Doe."

Preference Beneficiaries

If there is no named beneficiary, or if beneficiary records are lost or destroyed, Prudential will pay group life claims to the first of the following:

1. The surviving spouse;
2. Surviving children in equal shares;
3. Surviving parents in equal shares;
4. Surviving siblings in equal shares; or,
5. The estate of the insured.

Prudential will use the preference beneficiary method unless otherwise provided in the Assignment Limitations section of the Group Contact.

Common Beneficiary Designations

If employees designate multiple beneficiaries, the death benefit will be divided equally, unless they provide other instructions. Here are examples of common beneficiary designations:

To designate:	Use this example:
An estate	The estate of John D. Doe
Two beneficiaries	John J. Jones, father and Mary R. Jones, mother
Three or more beneficiaries	James O. Jones, brother; Peter B. Jones, brother; Martha N. Jones, sister
Contingent beneficiaries	Lois P. Jones, wife, if living; otherwise Patrick F. Jones, son
Multiple contingent beneficiaries	Lois P. Jones, wife, if living; otherwise Patrick F. Jones, son; Alice B. Jones, daughter; and Ann D. Jones, daughter
Member of religious order	Mary J. Jones, known in religious life as Sister Mary Agnes, niece

Keep a copy of the completed beneficiary designation for your records, give a copy to the employee, and send the original to DAS-HRE, Group Life Insurance.

ASSIGNING LIFE INSURANCE OWNERSHIP

Assignments allow employees to permanently transfer group term life insurance ownership rights to a third party, such as a trustee or another individual, known as the assignee. The assignee designates beneficiaries for the employee's group coverage.

Gift Assignments

Employees assign their ownership rights to an individual or a trust.

Viatical Assignments

In some states, employees may be able to sell their policy for cash at an amount lower than the death benefit amount. This is known as a viatical settlement or an assignment for value. The viatical settlement provider becomes the beneficiary and will receive the death benefit.

Prudential's standard policy is to permit gift assignments only. Some states, like California and New York, require group insurance providers to allow viatical assignments. Prudential will comply with the law in these states and permit viatical assignments.

Keep a copy of the assignment form with the employee's records, and send a copy to DAS-HRE, Group Life Insurance. The original assignment form should be given to the employee to deliver to the assignee. The employee may keep a copy for his or her records.

Name Changes

1. Employees should complete the **Group Insurance Beneficiary Designation/Change form**.
2. Verify the information on the form.
3. Keep a copy of the change form for the employee's file, and send the original to DAS-HRE, Group Life Insurance.

Beneficiary Changes

Standard Beneficiary Designations

1. Employees should complete a **Group Insurance Beneficiary Designation/Change form**.
2. Keep a copy of the change form for the employee's file and send the original to DAS-HRE, Group Life Insurance.

Effective Dates

Employees must be actively at work on the day the change goes into effect (**Active at Work Requirement**), or the effective date will be postponed until the requirement is met.